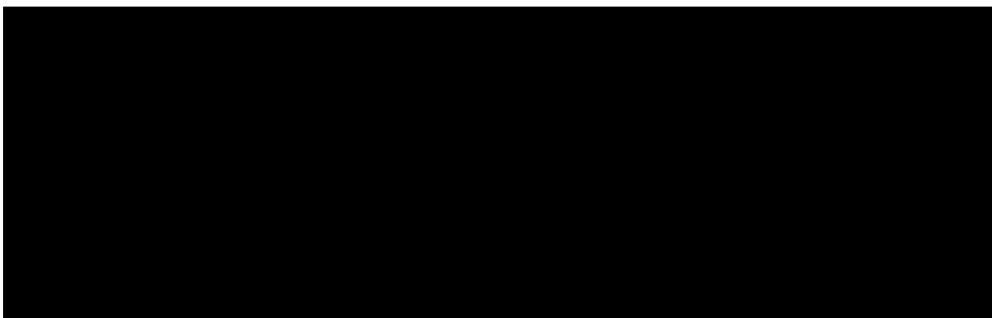


Contract No. HF-6524

APPENDIX I

ITEM I - Contractor shall furnish the services of Contractor personnel to assist in the installation, maintenance, repair and overhaul of the equipment being procured by the Government under Contract No. HF-6701. Such services shall not exceed two (2) technical representatives and shall be furnished at the place(s) and at the price(s) set forth below:

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The above rates include provisions for fourteen (14) calendar days of vacation, an allowance for sick leave, and an allowance for eight (8) holidays, accordingly. The Government shall not be billed for such periods of time as may be taken by the Contractor's technical representative.

The above rates are based upon a normal 40-hour work week (8 hour day, 5 days a week). Work in excess of the above will be considered overtime and Contractor shall be entitled to be paid at the rate of \$3.87 per hour for each of overtime work performed. The amount of overtime work shall be held to a minimum and shall have approval of the Commander of the unit to which Contractor's technical representative is assigned.

BILLING FORMULA:

1. Payment for services rendered during a calendar month or any portion thereof will be made on the basis of the following formula: The man day rate times the number of billable days in a pay period. The number of billable days in a pay period will be computed by subtracting the number of vacation, holiday and sick leave days absent during such period from the total number of calendar days (including Saturdays and Sundays) comprising the pay period. Any days in which contract technical services personnel are on a leave status are not billable days. In this regard, any Saturdays or Sundays when contract technical services personnel are not available

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for duty nor subject to call by reason of vacation or sickness will be considered as days on leave status for billing purposes.

2. The man day rate specified in this contract has been established by prorating the man month rate over the average number of billable days in a calendar month. Therefore the man month rate will not be used for billing purposes.

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